

Before The
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

Postal Rate and Fee Changes

Docket No. R2000-1

RESPONSE OF POSTAL SERVICE WITNESS ROBINSON
TO INTERROGATORIES UPS/USPS-T34-1(a)-(c) AND 3(e)
PURSUANT TO PRESIDING OFFICER'S RULING NO. R2000-1/29

The United States Postal Service hereby provides the responses of Postal Service witness Robinson to the following interrogatories of the United Parcel Service: UPS/USPS-T34-1(a)-(c), 3(e), filed on February 8, 2000. These responses are being filed pursuant to Presiding Officer's Ruling No. R2000-1/29.

Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking


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April 13, 2000

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROBINSON
TO INTERROGATORIES OF UNITED PARCEL SERVICE

UPS/USPS-T34-1. Refer to pages 12-13 of your testimony, where you discuss the contract between Emery Worldwide Airlines ("Emery") and the Postal Service pursuant to which Emery provides mail processing, surface transportation, and air transportation for Priority Mail.

- (a) Provide a copy of the current contract between Emery and the Postal Service to which you refer.
- (b) Provide any other documents defining the relationship between the Postal Service and Emery regarding Priority Mail services.
- (c) If the contract provided in response to (a) is not the contract used in developing the proposed Priority Mail rates, provide a copy of the contract that was used in developing the proposed Priority Mail rates.

RESPONSE:

(a) - (c) A copy of the current Priority Mail Network Contract between the Postal Service and Emery Worldwide Airlines, Inc. (Contract No. 102590-97-B-1460) will be filed shortly as USPS-LR-I-294. A redacted version of this contract will be filed shortly as USPS-LR-I-295.

I am informed that the contract used to develop Priority Mail costs for Docket No. R2000-1 was the contract in effect on July 12, 1999. I am further informed that contract modifications and supplemental letter agreements included in USPS-LR-I-294 which were effective after July 12, 1999, were not used to develop Priority Mail costs.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ROBINSON
TO INTERROGATORIES OF UNITED PARCEL SERVICE**

UPS/USPS-T34-3. Please refer to pages 12 through 15 of your testimony, where you discuss the contract between Emery Worldwide Airlines ("Emery") and the Postal Service pursuant to which Emery provides mail processing, surface transportation, and air transportation for Priority Mail. Refer also to page 2 of Attachment A, an analyst's report discussing the Postal Service's contract with Emery for Priority Mail services, which indicates that beginning in the third quarter of 1999 Emery "began being paid a provisional rate for its services." Attachment A, CNF Transportation Reports Third Consecutive Year of Record Earnings; Net Income Up 39 Percent in 1999, at 2 (visited Feb. 1, 2000) <<http://www.businesswire.com/webbox/bw013100/200310630.htm>>.

(e) Under the contract as currently in effect, what rate or rates will the Postal Service pay Emery in the test year?

RESPONSE:

(e) See USPS-LR-I-294.

DECLARATION

I, Maura Robinson, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.


MAURA ROBINSON

Dated: 4.13.2000

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.


Richard T. Cooper

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